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April 16, 2001

Magalie Roman Salas, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: EX PARTE PRESENTATION
CC Docket No. 99-68

Dear Ms. Salas:

Sprint Corporation fully shares the concerns expressed by Level 3 in its *ex parte* letter dated April 10, 2001 (and its attached April 6, 2001 letter to Ms. Dorothy Attwood, Chief of the Common Carrier Bureau) regarding a possible growth cap on compensable ISP-bound traffic. Level 3's letters amply demonstrate the arbitrary and capricious effects such a growth cap could have on particular CLECs, depending on when they enter the market and how fast they grow. Such arbitrary actions are sure to be challenged in court, leading to a further period of uncertainty at a time when the industry, above all, needs regulatory certainty for sound business planning.

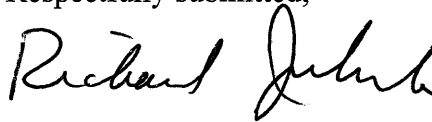
Sprint shares Level 3's view that a growth cap, because of its discriminatory effects as between particular CLECs, cannot be justified simply as a means of reducing the ILECs' total reciprocal compensation obligations on ISP-bound traffic. But if that is the concern that underlies a growth cap, it has already been met by what Sprint understands to be the rate reductions being considered by the Commission for ISP-bound traffic. As shown in the attached table, using two widely different projections of minutes of use (one from the ILECs and another from the CLECs), ILEC reciprocal compensation in 2003 would be cut in half as compared with Year 2000 levels (based on the ILECs' projected growth rates), and would be cut by four-fifths based on the CLECs' projected growth rates. If these very substantial reductions in total payments are not deemed sufficient, then Sprint agrees with Level 3 that some sort of pooling mechanism should be adopted to ensure that every CLEC is paid the same rate on every minute of use.

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Finally, Sprint also endorses the views expressed in Level 3's April 6 letter opposing an SBC proposal to declare that ISP-bound traffic must terminate to an ISP that is physically located in the same local calling area as the calling party. As Level 3 instead proposes, as long as the ISP-bound call is made by dialing a local number, it should be included in any intercarrier compensation decision adopted in this docket.

This letter is being filed electronically.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Richard Juhnke", with a long horizontal line extending from the end of the signature.

Richard Juhnke

Attachment

cc: Kyle Dixon
Jordan Goldstein
Sam Feder
Sarah Whitesell
Dorothy Attwood
Glenn Reynolds
Jane Jackson
Tamara Preiss

NO NEED FOR A "GROWTH CEILING"

AVERAGE ILEC/ALTS EXPARTE	2000	2001	2002	2003
RECIPROCAL COMPENSATION RATE (note 1)	0.004	0.0012	0.001	0.0007
ILEC VIEW MINUTES OF USE (note 2)	619,248,572,800	906,614,187,648	1,354,306,065,335	1,744,082,720,224
ILEC PROJECTED RECIP. COMP. PAYMENT	\$ 2,476,994,291	\$ 1,087,937,025	\$ 1,354,306,065	\$ 1,220,857,904
PERCENT REDUCTION 2003 VS 2000				-51%
CLEC VIEW MINUTES OF USE (note 3)	495,512,908,000	514,534,560,000	530,297,473,500	564,480,000,000
CLEC PROJECTED RECIP. COMP. PAYMENT	\$ 1,982,051,632	\$ 617,441,472	\$ 530,297,474	\$ 395,136,000
PERCENT REDUCTION 2003 VS 2000				-80%
AVERAGE (note 4)	557,380,740,400	710,574,373,824	942,301,769,418	1,154,281,360,112
AVG. PROJECTED RECIP. COMP. PAYMENT	\$ 2,229,522,962	\$ 852,689,249	\$ 942,301,769	\$ 807,996,952
PERCENT REDUCTION 2003 VS 2000				-64%

Data Sources:

note 1) Rates from page 3 of Ex Parte letter in CC Docket 99-68 to Magalie Roman Salas from Jonathan Askin, ALTS, dated March 23, 2001.

note 2) Minutes from Table 1 of Ex Parte letter in CC Docket No. 99-68 to Dorothy Attwood from Robert T. Blau, on behalf of BellSouth, SBC, Verizon, and Qwest, dated December 22, 2000.

note 3) Minutes from page 3 of Ex Parte letter in CC Docket 99-68 to Magalie Roman Salas from Jonathan Askin, ALTS, dated March 23, 2001.

note 4) Simple arithmetic average.